

# THE ENERGY STAR® RETAIL PRODUCTS PLATFORM 2016 Progress Report

The simple  
choice for  
energy  
efficiency.

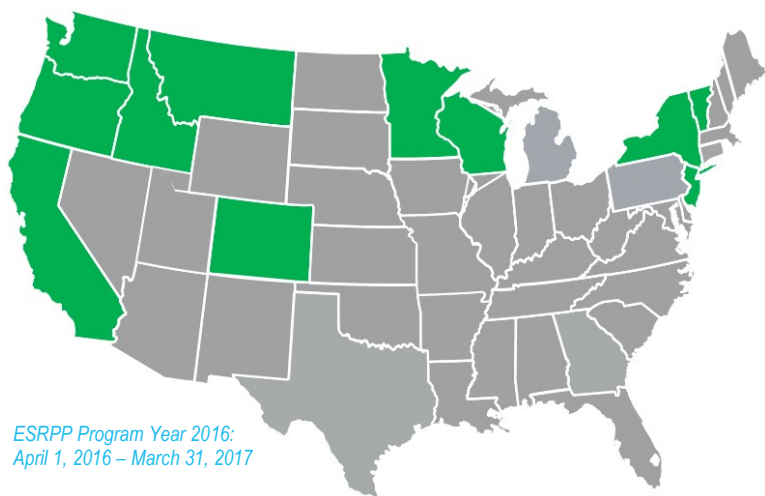


October 2017

## The ENERGY STAR® Retail Products Platform

The ENERGY STAR® Retail Products Platform (ESRPP) is a collaborative midstream initiative of ENERGY STAR, energy efficiency program sponsors, retailer partners, and other key stakeholders, facilitated by the U.S. Environmental Protection Agency. ESRPP develops a national-level structure for the design of program delivery and engagement with retailers. ESRPP gives program sponsors new access to a low-cost, retail-based program through national coordination. The goal of ESRPP is to transform markets by streamlining and harmonizing energy efficiency programs with retailers, making them less complex and more cost-effective. Increasing the availability of ENERGY STAR certified products generates energy savings as utility customers purchase and install these more efficient models in their homes. ESRPP completed its initial pilot year in 2016; this report provides a snapshot of accomplishments to date.

## 2016\* Pilot Participants



### The 2016 ESRPP pilot featured:

- ✓ 4 participating retailers
- ✓ 8 program sponsors in 11 states
- ✓ Almost 700 storefronts
- ✓ Nearly 18% of the U.S. market covered

Sponsors are involved in four working groups that drive the early success of the pilot and include: EM&V, Product Selection, Data/Cost Effectiveness, and Marketing.

**Participation is growing in 2017** with new sponsors and the addition of Lowe's and Nationwide Marketing Group. Their participation will expand coverage to more than 30% of the U.S. market, with ESRPP retail participants covering more than 80% of the appliance market.

## Retailer Feedback

**Retailers are the most important channel for delivering energy efficient products to residential consumers, selling almost 2 billion energy consuming products that use 80 million MWh per year.** As part of the 2016 pilot, the EPA, on behalf of the program sponsors, conducted interviews with representatives of each retailer representing 14 product categories, 3 sustainability teams and 2 marketing teams. Key findings from this survey and ongoing interactions with retailers include:

- ✓ Retailer merchants are the key decision makers for choosing efficient products and they are heavily influenced by the profit margin of their products.
- ✓ While decisions about product assortment can be localized, retailers primarily make assorting decisions at the national level.
- ✓ Marketing interventions, such as product placement in stores, advertising and consumer incentives, drive sales of qualified products.
- ✓ Retailers actively market qualified products through a variety of techniques, including: advertising, training, loyalty program points, and other methods.

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## Accomplishments To Date\*



More than 160,000  
ENERGY STAR  
certified appliances  
and consumer  
electronics sold.



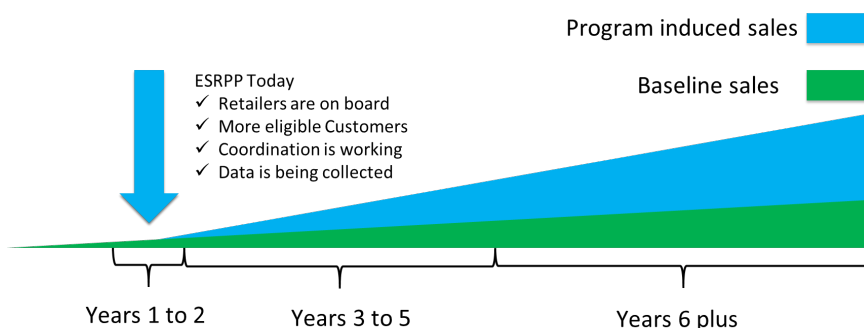
Enough electricity  
saved to power 2,000  
homes for one year.



22 Million customers  
have access to  
certified products at  
almost 700  
participating stores

## Evaluation Status

ESRPP is a pilot and still in the early stages of evaluation where the focus is on proving the concept. To date, ESRPP has successfully increased the number of retailer participants, increased the percent of households covered by an ESRPP territory and proven that utilities can work together with each other and retailers to deliver a nationally coordinated program. ESRPP has the potential to cost-effectively drive the sales of qualified products and transform the market for ENERGY STAR certified appliances and consumer electronics. Initial evaluations of the pilot are underway and the EPA, in partnership with DOE, is helping to develop a guidance document that will provide detailed insight into evaluation methodologies for the ESRPP program. For more information on this effort visit: <http://www4.eere.energy.gov/seeaction>



## Lessons Learned

- ✓ **Engagement is critical** – Success requires sponsors engaged throughout the process and active in task force efforts.
- ✓ **Market transformation is an emerging program design** - Efforts to date have been regional or time limited. This presents a challenge for ESRPP adoption as regulators and evaluators accept this relatively new approach.
- ✓ **Being on the same page matters** – Program processes need to align with retailers' business practice. For example, long lead time on utility payments led to a delay in retail activity. ESRPP specification setting has to occur three to six months prior to program start in order to have the opportunity to influence retail buying decisions.
- ✓ **Market transformation takes time** – An immediate increase in qualified product sales is unrealistic because merchant buying cycles can be multi-year. Understanding ESRPP as a long-term commitment that requires multiple years to affect large scale change is critical.

## For More Information or to Join

For more information, visit [www.energystar.gov/ESRPP](http://www.energystar.gov/ESRPP). To get involved, contact EPA, join the current team, take advantage of tools and templates, and develop a pilot. Contact Peter Banwell [Banwell.peter@epa.gov](mailto:Banwell.peter@epa.gov), 202-343-9408, Hewan Tomlinson [Tomlinson.hewan@epa.gov](mailto:Tomlinson.hewan@epa.gov), 202-343-9082 or [ESRPP@energystar.gov](mailto:ESRPP@energystar.gov).

\*2016 Results as of ESRPP Program Year 2016: April 1, 2016 – March 31, 2017